



# PSC NEWS

## Missouri Public Service Commission

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### **PSC ESTABLISHES TASK FORCE TO EXAMINE COLD WEATHER RULE/POSSIBLE LONG TERM ENERGY PROGRAMS**

Jefferson City (March 4, 2004)--The Missouri Public Service Commission has opened a case to examine possible programs for improving long term energy affordability for those in need of assistance, and to propose any immediate changes to the Commission's Cold Weather Rule that may provide short term help.

Established in 1977, the Cold Weather Rule has helped more than 2 million needy Missourians maintain heat-related service during the winter. The Commission's order establishing the case and creating a task force notes: "While the Commission continues to closely monitor the Cold Weather Rule and its affect on Missouri consumers, the Commission has not substantially changed the provisions of the rule, on a permanent basis, since 1993. Given these facts, the Commission believes it is imperative that the rule be closely examined again to determine if it continues to adequately address consumer needs." In 1993, the Commission modified the rule expanding the time the rule is in effect as well as adopting a temperature moratorium.

"The task force is to explore measures and programs that could have a long-term impact on the affordability of heat related bills including identifying innovative ways of providing financing for investing in weatherization and energy efficiency of homes and buildings," stated PSC Chairman Steve Gaw. "This inquiry should include an evaluation of possible funding sources and mechanisms that can be used effectively by those struggling with energy bills, particularly programs where the overall savings are greater than the amount invested," stated Gaw. The task force is expected to file its report and recommendations on these issues no later than March 31, 2005.

Regarding any possible changes to the Cold Weather Rule, the task force will be making initial recommendations to the Commission by **April 14, 2004.**

"We believe it is time to again evaluate the Cold Weather Rule in light of the fact that the wholesale price of natural gas has more than doubled since 2000 and customer heating bills may be 20 to 25 percent higher during the winter of 2003-2004 than the winter of 2002-2003," stated Chairman Gaw. "In addition, we have received information which indicates a dramatic increase in the number of utility customers who, for the first time, sought assistance through the federal Low Income Home Energy Assistance Program," Gaw said.

The task force will be co-chaired by Warren Wood, Manager of the PSC Energy Department and Gay Fred, Manager of the PSC Consumer Services Department. Several others will be named to the task force at a later date. The Commission has encouraged the task force to seek input from affected utility consumers. "The task force plans to conduct regional public meetings to get input," stated Warren Wood. "That regional public meeting schedule will be released as soon as dates and locations have been finalized."

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